

been broken, can be done again so easily. From the Socialist point of view the Levy on Capital is, of course, a simple means of getting, by repetitions of it at regular intervals, all the means of production into the hands of the State; but would the State make a good use of them ?

Another assumption about the Levy on Capital that seems to me to be the merest will o' the wisp is the delusion that the whole saving that it would entail by reducing the debt charge would necessarily and certainly go to the relief of income tax. On this assumption Mr Petrick Lawrence bases his most persuasive appeal to the smaller income-tax payer, by showing that he would be better off after a Levy on Capital than before it, thanks to the reduction in income tax, which is assumed as axiomatically arising in its train. But is this certain or even likely ? Is it not much more probable that our Government, finding its post-war Budget greatly lightened by a Levy on Capital or a Compulsory Loan to redeem debt, will think itself free to indulge in extravagance, maintaining a considerable part of the war income tax and wasting it on rash experiments ? All these weaknesses, which appear to be inherent alike in the Levy on Capital or in the scheme which gilds the pill by calling it a Compulsory Loan, seem to be ignored or neglected (perhaps because they are unanswerable) by their advocates. On the other

hand, there are certain psychological arguments on the other side. If the well-to-do, who would have to pay the Levy or subscribe to the Compulsory Loan, would prefer that system to a high income tax,